GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:672
ANSWERED ON:25.02.2009
EMPLOYEES OF IDBI
Acharia Shri Basudeb

Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Development Bank of India (IDBI) is retaining its Development Financial Institution (DFI) status as a Public Sector Bank and also protecting service conditions of its erstwhile employees as enshrined in Clause 5(1) of the IDBI Repeal Act,2003;

(b) if so, details thereof;

(c) whether the transfer of erstwhile IDBI employees from DFI segment to Retail Banking operations has violated the provisions of the existing Repeal Act; and

(d) if so, the details thereof and action taken by the Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): Yes, Sir.IDBI Bank Ltd.(formerly known as Industrial Development Bank of India Ltd.) continues to perform its development banking functions in addition to its commercial banking activities.Further, IDBI Bank Ltd. is also adhering to the provisions of Section 5(1) of IDBI Repeal Act, 2003 by protecting the conditions of service of its eligible officers and employees with regard to tenure; remuneration; obligations; rights and privileges as to leave, leave fare concession, welfare schemes, medical benefits schemes, insurance, provident fund, other funds, retirement, voluntary retirement, gratuity and other benefits; etc., as provided in the Act.

(c) No, Sir.

(d) Does not arise